

COMMONWEALTH OF KENTUCKY
BEFORE THE PUBLIC SERVICE COMMISSION

In the Matter of:

PURCHASED WATER ADJUSTMENT)	
FILING OF WHITLEY COUNTY WATER)	CASE NO. 2012-00124
DISTRICT NO.1)	

ORDER

On March 30, 2012, Whitley County Water District No. 1 (“Whitley County”) applied for approval to adjust its rates pursuant to the purchased water adjustment procedure.¹

The Commission, having reviewed the record and being sufficiently advised, finds that:

1. Whitley County purchases water from the city of Williamsburg (“Williamsburg”), the city of Corbin (“Corbin”), McCreary County Water District (“McCreary County”), and the city of Jellico, Tennessee (“Jellico”).

2. On March 16, 2012, Williamsburg filed with the Commission an amendment to its water purchase contract with Whitley County in which the parties agreed to an increase in the volumetric wholesale rate from \$2.20 per 1,000 gallons to \$2.50 per 1,000 gallons. This amendment became effective upon its filing with the Commission.

3. Whitley County proposes a purchased water adjustment factor of \$0.17 per 1,000 gallons to be applied to its rates.

4. Whitley County proposes an effective date of May 1, 2012.

¹ KRS 278.015; 807 KAR 5:068.

5. During the 12 months ending February 29, 2012, Whitley County purchased 96,322,000 gallons of water from Williamsburg, 79,601,000 gallons of water from Corbin, 4,805,800 gallons of water from McCreary County, and 37,537,600 gallons of water from Jellico. It sold 170,766,800 gallons of water during the same period.

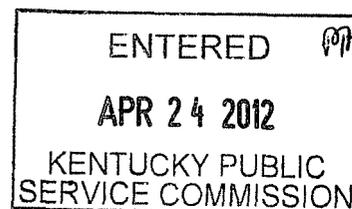
6. The purchased water adjustment factor of \$0.17 per 1,000 gallons is fair, just, and reasonable and should be approved.

7. The rates set forth in Appendix B to this Order are fair, just, and reasonable and should be approved for water service that Whitley County renders on and after May 1, 2012.

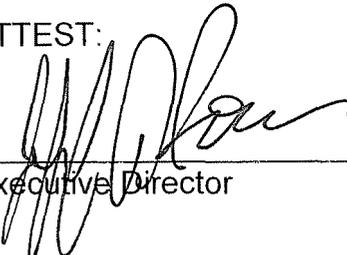
IT IS THEREFORE ORDERED that:

1. Whitley County's proposed rates are approved.
2. The purchased water adjustment factor of \$0.17 per 1,000 gallons as calculated in Appendix A is approved.
3. The rates in Appendix B are approved for service that Whitley County renders on or after May 1, 2012.
4. Whitley County's proposed tariff sheet filed with the application is approved.

By the Commission



ATTEST:



Executive Director

APPENDIX A

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00124 DATED APR 24 2012

	New Rate	Base Rate
Williamsburg		
Purchases in gallons	96,322,000	96,322,000
Volumetric rate	<u>\$2.50 /1,000</u>	<u>\$2.20/1,000</u>
	\$240,805.00	\$211,908.40
Corbin		
Purchases in gallons	79,601,000	79,601,000
Volumetric rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
McCreary County WD		
Purchases in gallons	4,805,800	4,805,800
Volumetric rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
Jellico		
Purchases in gallons	37,537,600	37,537,600
Volumetric rate	<u>NO CHANGE</u>	<u>NO CHANGE</u>
Increased water cost		\$28,896.60
Increased water cost		\$28,896.60
Divided by gallons sold		<u>170,766,800</u>
Purchased water adjustment factor		\$0.1692
		or \$0.17 per 1,000 gallons

APPENDIX B

APPENDIX TO AN ORDER OF THE KENTUCKY PUBLIC SERVICE
COMMISSION IN CASE NO. 2012-00124 DATED APR 24 2012

The following rates and charges are prescribed for the customers in the area served by Whitley County Water District No. 1. All other rates and charges not specifically mentioned herein shall remain the same as those in effect under authority of the Commission prior to the effective date of this Order.

Monthly Water Rates

First	1,000 gallons	\$19.35	Minimum Bill
Next	4,000 gallons	6.81	per 1,000 gallons
Next	95,000 gallons	6.39	per 1,000 gallons
Over	100,000 gallons	5.84	per 1,000 gallons

Walter B Estes
Chairman
Whitley County Water District #1
19 S Highway 25W
Williamsburg, KY 40769